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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal No. 15-77]**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Sarah A. Ragan or Heather N. Harwell, DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 15-77 with attached Policy Justification and Sensitivity of Technology.

Dated: December 8, 2015.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

NOV 17 2015

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-77, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$110 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 15-77

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

(i) Prospective Purchaser: Republic of Korea

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 100 million
Other	<u>\$ 10 million</u>
TOTAL	\$ 110 million

(iii) Description and Quantity or Quantities of Articles or Services under  
Consideration for Purchase:

Major Defense Equipment (MDE):

Nineteen (19) UGM-84L Harpoon Block II All-Up-Round Missiles  
Thirteen (13) Block II upgrade kits

Also included are containers; Guidance Control Units (GCU) spares; recertification and reconfiguration support; spare and repair parts; tools and tool sets; support equipment; personnel training and training equipment; publication and technical data; U.S. Government and contractor engineering and logistical support services; and other related elements of logistics support.

(iv) Military Department: Navy (ALQ)

(v) Prior Related Cases, if any: FMS case AKV - \$75M – 01 Nov 12

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services  
Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: 17 NOV 2015

\*as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Republic of Korea - UGM-84L Block II Harpoon Missiles

The Republic of Korea (ROK) has requested a possible sale of:

#### Major Defense Equipment (MDE):

Nineteen (19) UGM-84L Harpoon Block II All-Up-Round Missiles

Thirteen (13) Block II upgrade kits

Also included are containers; Guidance Control Units (GCU) spares; recertification and reconfiguration support; spare and repair parts; tools and tool sets; support equipment; personnel training and training equipment; publication and technical data; U.S. Government and contractor engineering and logistical support services; and other related elements of logistics support. The estimated value of MDE is \$100 million. The total estimated value is \$110 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by meeting the legitimate security and defense needs of an ally and partner nation. The ROK is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to the U.S. interest to assist our South Korean ally in developing and maintaining a strong and ready self-defense capability.

The ROK intends to use the Harpoon Block II missiles to supplement its existing Harpoon missile capability. The acquisition of the Harpoon Block II missiles and support will supplement current weapon inventories and bring the ROK Navy's Anti-Surface Warfare performance up to existing regional baselines. The proposed sale will provide a defensive capability while enhancing interoperability with the United States and other allied forces. Sub-launched Harpoon missiles have been used by the ROK since the 1990s. The ROK will have no difficulty absorbing these additional missiles into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be the Boeing Company in St. Louis, Missouri. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposal sale will not require any additional U.S. government or U.S. contractor personnel in Korea. However, U.S. Government or contractor personnel in-country visits will be required on a temporary basis in conjunction with program technical oversight and support requirements.

There will be no adverse impact on United States defense readiness as a result of this

proposed sale.

Transmittal No. 15-77

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. The UGM-84L Block II Harpoon missile is a submarine launched Anti- Surface Warfare (ASUW) missile that provides naval forces with a capability to engage targets in both the "blue water" regions and the littorals of the world. The Harpoon Block II missile, including publications, documentation, operations, supply, maintenance, and training to be conveyed with this proposed sale have the highest classification level of SECRET. The Harpoon Block II missile components being conveyed by the proposed sale that are considered sensitive and are classified include:

- a. The Radar seeker
- b. The GPS/INS System
- c. Operational Flight Program (OFP) Software
- d. Missile operational characteristics and performance data

2. These elements are essential to the ability of the Harpoon Block II missile to selectively engage hostile targets under a wide range of operational, tactical and environmental conditions.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

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